

Modified

Clerk of the Board
Date and Time Recorder Stamp

**OFFICE OF THE MAYOR
MIAMI-DADE COUNTY, FLORIDA**

VETO AND VETO MESSAGE

CLERK OF THE BOARD
2015 OCT 15 AM 10:27
CLERK OF THE BOARD
MIAMI-DADE COUNTY, FLA.
#1

To: Honorable Chairman Jean Monestime and
Members of the Board of County Commissioners
Miami-Dade County, Florida

From: Carlos A. Gimenez, Mayor
Miami-Dade County, Florida



Pursuant to the authority vested in me under the provisions of Section 2.02.D of the Miami-Dade County Home Rule Charter, I hereby veto Resolution No. R-910-15 establishing a policy limiting checked luggage wrapped in plastic film to those plastic films that meet the same standards met by the current authorized vendor for luggage wrapping services at Miami International Airport, which was adopted at the October 6, 2015 Board of County Commissioners meeting:

RESOLUTON ESTABLISHING POLICY LIMITING CHECKED LUGGAGE WRAPPED IN PLASTIC FILM THAT WILL BE ALLOWED INTO THE BAGGAGE HANDLING SYSTEM FOR MIAMI INTERNATIONAL AIRPORT TO THOSE ITEMS WRAPPED BY THE AUTHORIZED VENDOR FOR LUGGAGE WRAPPING SERVICES; AND DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO DEVELOP A PROCESS BY WHICH PLASTIC FILM UTILIZED BY PERSONS OR ENTITIES OTHER THAN THE AUTHORIZED VENDOR FOR LUGGAGE WRAPPING SERVICES CAN BE APPROVED FOR USE AT MIAMI INTERNATIONAL AIRPORT WITHIN 60 DAYS

VETO MESSAGE

On October 6, 2015, the Board of County Commissioners (Board) approved Resolution No. R-910-15, establishing a policy at Miami International Airport (MIA) limiting checked luggage wrapped in plastic film to those plastic films that meet the same standards met by the current authorized vendor for luggage wrapping services at MIA; directing the County Mayor or the County Mayor's designee to develop a process by which luggage wrapping plastic film utilized by persons or entities other than the authorized vendor for luggage wrapping services can be approved for use at MIA; and directing the County Mayor or the County Mayor's designee to submit a fiscal impact statement detailing the costs associated with implementation and enforcement of the Board's policy and/or the recommended process for evaluating plastic films.

The policy shall not be enforced until the County Mayor or County Mayor's designee reports back to the Board on a recommended process or 60 days from the effective date of the resolution have passed, whichever comes first.

One of my top priorities as Mayor has been to make County government more efficient and effective for the residents of Miami-Dade County, and nowhere is that more important than at MIA. As Miami-Dade County's largest economic engine, MIA contributes, directly and indirectly, to one out of every four jobs in our community and contributes almost \$33.5 billion to our economy. Its success is vital the County's economic well-being.

The fiscal impact of baggage wrapping is quite significant for MIA, as the large majority of bags being wrapped are for international destinations. With more than 19.3 million international passengers, MIA ranks second among U.S. airports for international passengers. MIA is one of a small handful of airports that offers this service and is the only U.S. airport that re-wraps bags opened during the Transportation Security Administration's (TSA) inspection.

MIA works diligently to provide passengers with a positive customer experience as they make their way through what can be a stressful process, and this policy moves us in the wrong direction. It creates an unnecessary and burdensome regulation that will not only be difficult and costly to enforce, but, more importantly, will also negatively impact the level of customer service delivered to our passengers by causing operational slowdowns. Creating a restriction that limits a passenger's choice of wrapping products would also mark a significantly detrimental shift in the long-held customer service practice at MIA allowing for off-site baggage wrapping. The resulting impact to the overall customer experience would be damaging to the relationship between MIA and our more than 40.9 million passengers and 100 carriers.

The Miami Airline Management Council, which represents 28 passenger carriers and 95 percent of passengers, stated that "implementation of such a resolution can only result in a negative atmosphere, directly affecting the customer at the time of check-in" (Letter to the Administration attached as Exhibit A). In fact, airlines - including American, LAN, Delta, United, Copa, Lufthansa German, British Airways, Frontier, and IBC Airways, which collectively represent 83 percent of passengers - have also expressed their opposition to this policy (Letters to the Administration attached as Exhibit B).

Additionally, the effective date of this resolution - December 2015 - is disruptive to the airlines' peak schedule. Delta Air Lines stated, "If the policy is implemented, the implementation timing of the policy could not be worse. Implementing a significant change such as this in the middle of the airport's winter peak schedule during the biggest leisure travel holidays will cause significant operational disruption. Any significant change should not be made during the peak season to give the airport and airlines the ability to understand the operational implications and properly prepare for the peak season."

Enforcement of the policy would affect passenger check-in locations (i.e., ticket counters, recheck counters, or curbside podiums) and would increase baggage processing times, thereby reducing the time airlines and TSA have to process and screen baggage. The additional time that would be required to process the re-wrapped baggage would increase both travel time and passenger

delays. If the airlines refuse to enforce the policy, it will be left to the Miami Dade Aviation Department (MDAD) to do so. Like the airlines, MDAD does not have the necessary personnel to enforce the policy.

The Miami Airport Affairs Committee, which represents eight passenger carriers, opposes any program that requires airlines to enforce a restriction on a passenger's choice of wrapping products (Letter to MDAD attached as Exhibit C). TSA has not stated a preference as to the types of baggage wrap used and follows strict inspection protocols for all checked items. In fact, "TSA, like any other U.S. government entity, does not have authority to endorse private businesses or products. Regardless of how a checked bag is presented to TSA from the airlines (wrapped with any wrapping or unwrapped), it will be screened prior to being allowed onboard an aircraft" (Email to MDAD attached as Exhibit D). Safe Wrap is the only authorized vendor to re-wrap checked bags in the event of a TSA inspection. However, it is important to note that during the past year MDAD has not received any complaints from passengers whose off-airport wrapping was removed prior to their luggage reaching its final destination.

MDAD recently hired Vic Thompson Company (VTC), an industry-wide expert on baggage handling system, to understand the possible effects of different types of wrapped baggage on the MIA Baggage Handling System. In its report, VTC found no significant difference between Safe Wrap and other types of wrapping in regards to damaging the baggage system (Report attached as Exhibit E). Most of the jams at MIA are caused by loose objects, and the Central Terminal Conveyors, where most wrapped bags are checked, are less complicated and less sensitive to wrapped baggage. Any jams that occur are mitigated by following proper baggage acceptance procedures and the use of a tub to transport the bag through the system.

American Airlines, which represents 66.5 percent of passengers, stated, "Consistent with the finding of the independent report by [VTC] and based on our operational experience in Miami, we have found that the type of plastic used to wrap a bag has little or no effect on the processing of baggage by our employees or the [baggage handling system]. Therefore, the process of identifying a preferred wrap and enforcing the use of that wrap will place an unnecessary burden on our employees and our customers with no appreciable gain. From training employees to educating customers and the additional time required in processing wrapped bags, this policy will increase expenses, frustration and will thereby threaten our competitiveness at the expense of our customers and our operations. It will also effectively change our ability to provide passengers with the range of services we could otherwise provide or allow... The policy approved by the [Board] will increase the cost of airlines operations and therefore will make MIA less efficient and less competitive with other airports."

MDAD has received letters from the General Managers of three of four airport General Aeronautical Service Providers (GASP) - Eulen, Triangle, and Swissport - stating that generic plastic baggage wrap used by outside vendors is directly to blame for their logistical and operational problems, and has contributed to employee injuries. VTC was not able to corroborate these claims in their report, but instead notes that it is operationally more difficult to process checked baggage wrapped in any type of plastic. MDAD has asked the GASPs for copies of the reports stating these injuries. To date, no reports have been received.

This policy may also impact sales for concessionaires. Frontier Airlines stated, "It is very likely that, due to the added time for Customers to deal with the requirement for on-Airport wrapped baggage, the concessionaires who rent space for their food and beverage, and retail businesses will likely incur a detrimental impact in business simply because passengers/customers/consumers will need to spend more time with the wrapped baggage requirement rather than visiting the various shops in the Ticket Lobby."

The History of Baggage Wrap at MIA

In July 2010, Sinapsis Trading USA, LCC (Sinapsis) was awarded a five-year contract with a two-year option to review for luggage wrapping services at MIA. At the time, Sinapsis offered a minimum annual guarantee (MAG) of \$11.1 million or 56.5 percent of gross revenues. The second-ranked firm, Secure Wrap of Miami, Inc. (Secure Wrap), offered a MAG of \$4.1 million or 35 percent of gross revenues.

In February 2012, the Board approved an amendment to the Sinapsis contract, which lowered the MAG to \$8.65 million, however the 56.5 percent of gross revenues remained in effect. This adjustment was requested by Sinapsis as a result of off-airport baggage wrapping by Safe Wrap of Florida JV, LLC (Safe Wrap), a joint venture between Secure Wrap and Safe Bag USA, and other companies, which was affecting Sinapsis' revenues at MIA. While the Board approved the adjustment, a new solicitation, as recommended by the Administration, was also approved thereby voiding the contract.

Subsequently, in April 2012, the MDAD issued RFP No. MDAD-05-12 for luggage wrapping services at MIA. In their submitted proposals, Truestar USA (Truestar), a joint venture between Sinapsis and Truestar Group SPA, offered a MAG of \$9.6 million or 65 percent of gross revenues, while Safe Wrap offered a MAG of \$9.1 million or 52 percent of gross revenues. Safe Wrap was ranked first after the technical evaluation, however, when the price proposal scores were factored in, Truestar finished ranked first. The Evaluation Committee for RFP No. MDAD-05-12 consisted of seven voting members: two airline representatives, two aviation industry professionals, one member from the Greater Miami Convention and Visitors Bureau, and two MDAD employees. The Evaluation Committee unanimously voted to recommend to me that the award be made to Truestar.

In January 2013, my recommendation to award to Truestar was filed with the Clerk and the second ranked firm, Safe Wrap, filed a bid protest. A hearing was held on February 11, 2013 before the Hearing Examiner. On February 14, 2013, the Hearing Examiner affirmed my original recommendation to award to Truestar.

On March 5, 2013, the Board rejected my recommendation to award a Non-Exclusive Lease and Concession Agreement for luggage wrapping services at MIA, RFP No. MDAD-05-12, to Truestar. Subsequently, the Board approved Resolution No. R-151-13 to award the agreement to Safe Wrap. While Safe Wrap agreed to match Truestar's MAG of \$9.6 million, it refused to match the 65 percent of gross revenues. Safe Wrap's proposed 52 percent of gross revenues was lower

than the 56.5 percent that was paid by Sinapsis under its contract. In fact, in the approximately 25 months that Sinapsis held its contract, it paid MIA more than \$22.5 million on overall revenues of \$34.69 million. In comparison, Secure Wrap paid MIA approximately \$12.25 million on revenues of \$53.83 million over the course of ten years.

On March 14, 2013, I vetoed the Board's rejection of my recommendation to award to Truestar and the Board's award to Safe Wrap. My vetos were overturned by the Board.

CLOSING

Clearly this policy is not in the best interest of our core business at MIA - our passengers and our airlines. To limit competition, regulate an area that MDAD does not want to regulate, and raise the cost of operations is not in the best interest of the residents and visitors of Miami-Dade County. There are many customer service improvements needed at MIA, and limiting baggage wrap is not one of them.

It is important to emphasize that the company that is currently complaining about off-airport vendors is the company that undercut our previous airport vendor. Safe Wrap was fully aware that there was off-site competition when it agreed to its MAG. This is not a new problem. To protect Safe Wrap from a problem it created when it was outside the airport is a solution looking for a problem.

If Safe Wrap is having difficulty paying MIA its MAG due to increased competition from off-airport vendors, then Safe Wrap is encouraged to come before the Board to ask for relief.

My Administration stands ready to continue to work with the Board as we strive to make the right decisions entrusted to us by the residents of Miami-Dade County.

MEMORANDUM

Amended
Agenda Item No. 11(A)(42)

TO: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

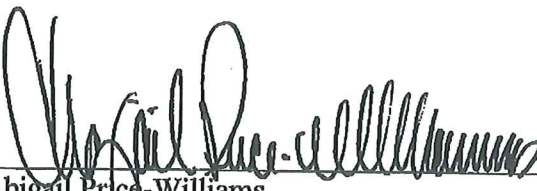
DATE: October 6, 2015

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Resolution establishing policy limiting checked luggage wrapped in plastic film that will be allowed into the baggage handling system for Miami International Airport to those items wrapped by the authorized vendor for luggage wrapping services; and directing the County Mayor to develop a process by which plastic film utilized by persons or entities other than the authorized vendor for luggage wrapping services can be approved for use at Miami International Airport within 60 days

Resolution No. R-910-15

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Juan C. Zapata.


Abigail Price-Williams
County Attorney

APW/cp




MEMORANDUM

(Revised)

TO: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

DATE: October 6, 2015

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Amended
Agenda Item No. 11(A)(42)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's _____, 3/5's _____, unanimous _____) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Amended
Agenda Item No. 11(A)(42)
10-6-15

RESOLUTION NO. R-910-15

RESOLUTION ESTABLISHING POLICY LIMITING CHECKED LUGGAGE WRAPPED IN PLASTIC FILM THAT WILL BE ALLOWED INTO THE BAGGAGE HANDLING SYSTEM FOR MIAMI INTERNATIONAL AIRPORT TO THOSE ITEMS WRAPPED BY THE AUTHORIZED VENDOR FOR LUGGAGE WRAPPING SERVICES; AND DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO DEVELOP A PROCESS BY WHICH PLASTIC FILM UTILIZED BY PERSONS OR ENTITIES OTHER THAN THE AUTHORIZED VENDOR FOR LUGGAGE WRAPPING SERVICES CAN BE APPROVED FOR USE AT MIAMI INTERNATIONAL AIRPORT WITHIN 60 DAYS

WHEREAS, Miami International Airport ("Airport") has a significant number of travelling passengers that utilize luggage wrapping plastic film on their checked baggage to protect their possessions from a variety of variables including, but not limited to, theft, damage, inclement weather and mishandling; and

WHEREAS, in July of 2012, the Airport began operating a new \$220 million dollar in-line checked baggage handling and delivery system ("baggage system") in the North Terminal, which is a fully automated system outfitted with state-of-the-art explosive detection technology, that screens and transports 30,000 to 40,000 bags per day, and consists of approximately 14 miles of conveyor belts that stretches from the ticket counters to the loading gates, and is in the process of installing a new automated baggage system in the Central and South Terminals; and

WHEREAS, passengers utilizing wrapping material that has not been tested and approved for operational use may cause injuries to baggage handlers who cannot load bags into the plane properly due to luggage sticking together, can cause difficulty in unwrapping for the Transportation Security Administration ("TSA") during the checked baggage screening process

leading to processing delays, and could potentially causes jams and other problems in the Airport's baggage system and conveyor belts creating system delays and shutdowns; and

WHEREAS, JFK Airport's Terminal 4 has a similar policy in place for operational reasons, which limits checked luggage wrapped in plastic film into the baggage handling system to those items wrapped by the approved luggage wrapping provider; and

WHEREAS, Miami-Dade County owns and operates Miami International Airport in a proprietary capacity, and costs incurred in the operation of Miami International Airport are borne solely by the Miami-Dade Aviation Department ("MDAD"); and

WHEREAS, the Board of County Commissioners (the "Board") finds that in the interest of operational performance and efficiency of Miami International Airport, there should be controls on the type of luggage wrapping material that will be allowed into the Airport; and,

WHEREAS, the authorized vendor for luggage wrapping services at Miami International Airport has been approved by this Board and is required by MDAD and TSA to have its wrapping material tested and approved prior to commencing operations to ensure there will be no operational interference with the Airport's baggage system; and

WHEREAS, the authorized vendor for luggage wrapping services at Miami International Airport must provide re-wrapping free of charge to those passengers whose luggage has been opened and inspected by TSA; and

WHEREAS, this Board finds that a policy should be established limiting checked luggage wrapped in plastic film to standards at least as stringent as those met by the authorized vendor for luggage wrapping services at Miami International Airport,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The foregoing recitals are incorporated in this resolution and are approved.

Section 2. The Board establishes a policy at Miami International Airport limiting checked luggage wrapped in plastic film to those plastic films that meet the same standards met by the current authorized vendor for luggage wrapping services at Miami International Airport. This policy shall not be enforced until the County Mayor or County Mayor's designee reports back to the Board on a recommended process for evaluating plastic films utilized by persons or entities other than the authorized vendor for luggage wrapping services and the Board considers such report, pursuant to Section 3 below, or 60 days from the effective date of this resolution, whichever comes first.

Section 3. The Board directs the County Mayor or the County Mayor's designee to develop a process by which luggage wrapping plastic film utilized by persons or entities other than the authorized vendor for luggage wrapping services can be approved for use at Miami International Airport, and to submit such process to this Board for approval within 60 days; this process must be at least as stringent as those met by the authorized vendor and must include recommendations related to community outreach and education, inspections, re-wrap, rent/fees, bonding, and insurance. In the event that the County Mayor or County Mayor's designee concludes that such a process is not feasible, the reasons for such conclusion shall be submitted to this Board.

Section 4. The Board further directs the County Mayor or County Mayor's designee to submit a fiscal impact statement detailing the costs associated with implementation and enforcement of the Board's policy and/or the recommended process for evaluating plastic films

within 60 days of the effective date of this resolution and place the completed report on an agenda of the Board pursuant to Ordinance No. 14-65.

The Prime Sponsor of the foregoing resolution is Commissioner Juan C. Zapata. It was offered by Commissioner Juan C. Zapata, who moved its adoption. The motion was seconded by Commissioner Audrey M. Edmonson and upon being put to a vote, the vote was as follows:

Jean Monestime, Chairman	nay
Esteban L. Bovo, Jr., Vice Chairman	aye
Bruno A. Barreiro	aye
Jose "Pepe" Diaz	aye
Sally A. Heyman	absent
Dennis C. Moss	aye
Sen. Javier D. Souto	aye
Juan C. Zapata	aye
Daniella Levine Cava	nay
Audrey M. Edmonson	aye
Barbara J. Jordan	aye
Rebeca Sosa	aye
Xavier L. Suarez	aye

The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of October, 2015. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

A handwritten signature in dark ink, appearing to be "DM", written over a horizontal line.

David M. Murray

**Miami Airline
Management Council**



Office of the Mayor
Miami Dade County Florida
Stephen P. Clark Center
111N.W. 1st Street
Miami, Florida 33128

Dear Mr. Mayor:

RE: Opposition to resolution establishing policy limiting checked baggage wrapped in plastic film that will be entered into the baggage system to those wrapped by the existing luggage wrap vendor exclusively

The Miami Airline Management Council, a trade group representing twenty eight of the pre-eminent air carriers at Miami International Airport and having reviewed this resolution can see no benefits to the air carriers, Miami International Airport or the vendor's shops and thousands of employees who depend on MIA for their livelihood.

Implementation of such a resolutions can only result a negative atmosphere, directly affecting the customer at the time of check in, Air carriers have spent millions to streamline and create a positive environment in this critical interaction with the customer, to create a single stop environment that is quick and efficient. Implementation of such a policy would only delay, and confuse customers, defeating the gains that have been made in infrastructure and software to humanize this process.

The resolution does not address the cost associated with the required enforcement and containment, nor the fact that this will ultimately take time from the customer as they determine if they in fact want to rewrap. Airline personnel cannot and will not be involved in any such policing or enforcement nor should we be expected to pay for 2nd or 3rd party participation thru increased rates and charges. If this is to be funded it should be funded exclusively and wholly by the benefiting vendor.

As an air carrier, we would not want any such enforcement or policing to take place within the leasehold or areas so assigned to the air carrier. It would be up to the vendor to intercept away from any branded areas as to not produce a negative environment.

This will eliminate the time that they may have spent shopping or acquiring duty free goods and or other goods and services, to say nothing of the added costs that will impact their discretionary spending

We also fear that customers who are forced to purchase a service from a single vendor may seek alternate airports where costs and fees may be more in line with the travel budgets depriving MIA of future and additional revenue.

In light of this we strongly recommend that this resolution be vetoed.

Ashutosh Kaul – President

Kenneth Gordon – Secretary/Treasurer

Michael J. Minerva
Vice President
Government and Airport Affairs



October 9, 2015

The Honorable Carlos A. Gimenez
Mayor, Miami-Dade County
111 NW 1st Street, Suite 2900
Miami, FL 33128

Dear Mayor Gimenez:

On behalf of American Airlines let me take this opportunity to thank you for your support of Director Gonzalez's position opposing the resolution establishing a new bag wrap policy at Miami International Airport. Together with Miami-Dade County we welcome more than 80,000 customers a day who arrive, depart or connect through MIA. The American Airlines MIA hub provides 340 flights a day to 130 destinations in the United States, Europe, Canada, Latin America, Mexico and the Caribbean. On a daily basis nearly 60% of the passengers we serve are traveling with luggage that must be processed safely and efficiently through the baggage handling system (BHS).

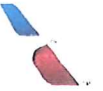
As you well know, the airline industry is highly competitive and as such we must work closely with our airport partners to ensure that our operations are safe, efficient and provide our customers with the highest level of customer service we can attain. Therefore, important to earning our customers business and keeping it is the delivery of their checked baggage upon arrival at their final destination.

Based on our experience handling checked baggage in Miami and throughout the world we have several objections to the baggage wrapping policy approved by the Miami-Dade County Commission (BCC) on Tuesday, October 6.

Consistent with the findings of the independent report by the Vic Thompson Company and based on our operational experience in Miami, we have found that the type of plastic used to wrap a bag has little or no effect on the processing of baggage by our employees or the BHS. From the Thompson report,

"When comparing the quality of the wrap between the Airport vendor wrapping and the 3rd party wrapping . . . the difference in performance was not statistically significant during the 3 day observations. This observation was echoed by those on-site."





Therefore, the process of identifying a preferred wrap and enforcing the use of that wrap will place an unnecessary burden on our employees and our customers with no appreciable gain.

From training employees to educating customers and the additional time required in processing wrapped bags, this policy will increase expenses, frustration and will thereby threaten our competitiveness at the expense of our customers and our operations. It also effectively changes our ability to provide passengers with the range of services we could otherwise provide or allow.

It has been suggested that the policy change provided for in the resolution will have a positive fiscal impact to the airport and therefore on the airlines cost of doing business at MIA. The policy approved by the BCC will increase the cost of airlines operations and therefore will make MIA less efficient and less competitive with other airports.

In conclusion, we respectfully urge your veto of the resolution imposing a baggage wrap policy that we believe will be detrimental to our mutual goal of providing exemplary customer service while growing our airline operations at Miami International Airport.

Sincerely,

Michael J. Minerva
Vice President
Government & Airport Affairs
American Airlines

October 9, 2015

Honorable Carlos A. Gimenez
Office of the Mayor
Miami-Dade County
Stephen P. Clark Center
111 NW 1st Street
Miami, FL 33128

Re: Opposition to the Resolution for Baggage Wrapping Services

Dear Honorable Mayor Gimenez:

Please be advised that LATAM Airlines Group, S.A. d/b/a LAN Airlines ["LAN"] respectfully submits its opposition to the Miami Dade Board of County Commissioner's Resolution on Agenda Item 11(A) (42) (October 6, 2015) establishing a policy limiting checked luggage wrapped in plastic film that will be allowed into the baggage handling system for Miami International Airport to those items wrapped by the authorized vendor for luggage wrapping services ["Policy"]. In brief and summary, LAN opposes the Policy for the following, but not limited, reasons:

- LAN contends that the Policy would cause detrimental delays and logistical issues for passenger customers at Miami International Airport.
- LAN contends that the Policy would cause logistical problems for all Airlines during the start of the winter peak season at Miami International Airport.
- LAN does not possess the sufficient facilities, resources and/or staffing to implement the Policy.
- LAN contends that the retention of the sufficient facilities, resources and/or staffing for Policy would cause considerable costs to all of the Airlines.
- LAN contends that the Policy would pose unreasonable and unforeseen liabilities upon the Airlines and/or Miami International Airport.

Also, LAN respectfully requests your honorable office veto the Policy and develop another resolution by which plastic film utilized by persons or entities other than the authorized vendor for luggage wrapping services can be approved for use at Miami International Airport. Thank you for the opportunity to submit our opposition to the Policy.

Sincerely,



Rene Pascua
Airport Director
LATAM Airlines Group, S.A.



Brian S. Miller
Regional Director
Corporate Real Estate

Delta Air Lines, Inc.
Department 877
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Atlanta, GA 30320-6001

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Atlanta, GA 30354
Phone (404) 715-6967
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brian.miller@delta.com

October 9, 2015

Honorable Carlos A. Gimenez
Office of the Mayor
Miami-Dade County
Stephen P. Clark Center
111 NW 1st Street
Miami, FL 33128

SUBJECT: Opposition to the Resolution Limiting Baggage Wrapping Services

Dear Mayor Gimenez:

Delta Air Lines, Inc. ("Delta") is writing to oppose the Resolution establishing a policy (the "Policy") (a) limiting checked luggage wrapped in plastic film that will be allowed into the baggage handling system for Miami International Airport ("MIA") to those items wrapped by the vendor authorized by Miami-Dade Aviation Department ("Vendor") for luggage wrapping services; and (b) directing the County Mayor to develop a process by which plastic film utilized by persons or entities other than the Vendor for luggage wrapping services can be approved for use at MIA within 60 days from the date of approval of the Resolution.

This Policy will adversely impact the customer experience. If enforced, passengers arriving at MIA with uncertified wrapped baggage would be required to unwrap and, if desired, rewrap their bags by the Vendor. This will create a delay in processing the passenger and their checked bags (reducing the time the airlines and TSA have to process and screen the bags). Operational impacts resulting from delayed passengers and baggage will result in an increase in customer complaints, and a decrease in customer service.

It was proposed at the Board of County Commissioner meeting that the airlines would enforce the Policy. Delta does not have sufficient staff or facilities to enforce this Policy. Delta has been working to streamline the ticketing process by implementing more self-service and remote check-in options for the customer. This is in an effort to reduce the time passengers spend in the ticketing lobby, allowing them to proceed more quickly to the gate. The staff and facilities required of Delta to enforce this Policy at the airport's check in locations do not exist. The MAAC provided a letter outlining multiple reasons that the airlines cannot enforce the Policy, which are supported by Delta.

Honorable Carlos A. Gimenez

RE: Opposition to the Resolution Limiting Baggage Wrapping Services

October 9, 2015

Page 2

The Policy proposes an increase in costs to the airlines. The airport is a residual rate structure, which means any cost increase to operate at the airport is a direct increase to Delta's costs, as well as all other airlines operating at MIA. This Policy does not create additional revenue or benefit for the airport, but only increases costs for the airlines operating at MIA. If permitted, any costs associated with this Policy should be wholly borne by the Vendor requesting the Policy, with no reduction to their contractual terms.

An independent test has already been completed by an industry leading baggage system designer, Vic Thompson Company, which demonstrates that there is not a measurable difference between any plastic film used to wrap baggage in either the baggage screening system, TSA screening process or airlines loading baggage into aircraft. This report was presented to the BCC, which concluded the following:

"When comparing the quality of the wrap between the Airport vendor wrapping and the 3rd party wrapping the Airport vendor wrapping was consistently tight against the entire surface area of the bag. The outside of the Airport vendor-wrapped baggage was less tacky when compared to the 3rd party-wrapped baggage, however, the difference in performance was not statistically significant during the 3 day observations. This observation was echoed by those on-site."

"In conclusion, from everything we saw, it is our opinion that the vendor's plastic is a superior product... It wraps better, it stays on better, it slides better... It just didn't make a significant difference in the baggage handling system as far as we could observe because all types of plastic wrapping, including that provided by the vendor, can cause problems in the system and our observation was that any plastic wrapping is harder to handle than non-wrapped baggage."

Luggage wrapped by the authorized vendor, or any other plastic film, has the potential to cause jams in the baggage handling system. Also, any plastic wrapped bag causes a delay for the Transportation Security Administration ("TSA") to screen the baggage.

If the Policy is implemented, the implementation timing of the Policy could not be worse. Implementing a significant change such as this in the middle of the airport's winter peak schedule during the biggest leisure travel holidays will cause significant operational disruption. Any significant change should not be made during the peak season to give the airport and airlines the ability to understand the operational implications and properly prepare for the peak season.

In conclusion, it is Delta's position that adopting this policy will be detrimental to Miami-Dade Aviation Department, all airlines operating at MIA as well as the passengers who use the airport.

Sincerely,



Brian Miller

Cc: Emilio Gonzalez, Miami-Dade Aviation Department
Ken Pyatt, Miami-Dade Aviation Department



October 8, 2015

Office of the Mayor
Miami-Dade County, Florida
Stephen P. Clark Center
111 NW 1st Street
Miami, FL 33128

Re: Miami International Airport (MIA)
Opposition to Resolution Establishing Policy Limiting Checked Baggage Wrapped in Plastic Film That will be Allowed into the Baggage Handling System to those Wrapped by the Authorized Vendor for Luggage Wrapping Services

Dear Mayor Gimenez:

This will record Frontier Airlines' opposition to the imposition of a ruling that will limit checked baggage wrapped in plastic film to be wrapped by the "Authorized Vendor for Luggage Wrapping Services" at Miami International Airport. Following are several major considerations and reasons:

- The requirement to prohibit wrapped baggage not wrapped by the "Authorized Vendor" from being checked for a customer's flight will impose and inject unnecessary time and cost in the process. As such, it will be a disservice to our customers...who are also Miami-Dade County's customers.
- Limiting the service to one vendor injects a monopoly effect into the wrapping process and, consequently, we all know that sole source availability of a service will increase the cost to the end user.
- With the imposition of a sole-source regulation, the quality of service may be unduly inhibited relative to the quality that would otherwise be provided and experienced in a competitive environment.
- Additional staffing supporting the airlines' ground operations will be required and that increases our costs which, by the very nature of the business, must be passed on to the consumer...thereby raising the cost of travel out of MIA Airport.
- The associated passenger/customer delays that will be imposed by the additional time required to deal with the process that encompasses the wrapped baggage by the "Authorized Vendor", on site only, and for a larger volume of baggage, will create delays for every airline. Those delays, in turn, will make MIA Airport less efficient than competing airports.
- There is a serious liability issue that must be passed on to Miami-Dade County.



Mayor Gimenez

October 8, 2015

Page 2 of 2

- The imposition of the requirement to an "Authorized on-Airport Vendor" will impose a detrimental impact on the customer service image of Miami International Airport due to the serious time and cost impacts as well as the added congestion in the terminal lobby created by increased volumes of passengers waiting for their baggage to be wrapped and checked in for their flight(s).
- It is very likely that, due to the added time for Customers to deal with the requirement for on-Airport wrapped baggage, the concessionaires who rent space for their food and beverage, and retail businesses will likely incur a detrimental impact in business simply because passengers/customers/consumers will need to spend more time with the wrapped baggage requirement rather than visiting the various shops in the Ticket Lobby.

We agree with the Miami Airport Affairs Committee's position that we cannot support a concept that requires enforcement by the airlines.

Finally, the Resolution is not in keeping with the spirit and intent to allow competition to determine the best product/service vs. limiting the competition to one vendor.

Respectfully,

A handwritten signature in black ink that reads "Dallas Belt".

Dallas Belt

Manager, Airport Planning
Frontier Airlines

cc: Emilio Gonzalez, MDAD Aviation Director
MAAC Members
Airlines Liaison Office



Ryan M. Stippler
Regional Manager, Airport Affairs
Corporate Real Estate

Sent via Electronic Mail to mayor@miamidade.gov

October 9, 2015

Hon. Carlos Gimenez
Office of the Mayor
Miami-Dade County, Florida
Stephen P. Clark Center
111 NW 1st Street
Miami, FL 33128

Re: Opposition to Miami-Dade County Agenda Item No. 11 (A)(42)
Resolution establishing policy limiting checked luggage wrapped in plastic film that will be allowed into the baggage handling system for Miami International Airport (MIA) to those items wrapped by the authorized vendor for luggage wrapping services

Dear Mayor Gimenez:

The purpose of this letter is to document United Airlines' opposition to the above referenced Resolution passed by the Miami-Dade County Board of County Commissioners on October 6, 2015. United cannot support policies that would require the air carrier or its representatives to monitor, restrict, enforce or otherwise engage its customers in limiting their choice of baggage wrap for the following reasons:

- The impact of these policies adversely impacts the customer experience. Passengers arriving at MIA with uncertified wrapped baggage would be required to unwrap and, if desired, rewrap their bags. This will create a delay in processing of the passenger (taking them longer to reach their gate) and their checked bags (reducing the time the airlines and TSA have to process and screen the bags). Operational impacts resulting from delayed passengers and baggage will result in an increase in customer complaints and a decrease in customer service.
- United doesn't have sufficient staff or facilities to enforce these policies. The airline has worked hard to make the ticketing process more efficient by implementing self-service and remote check-in options for the customer to be quickly processed and sent to the gate. The staff and facilities required of the airlines to enforce this policy at the airport's check in locations do not exist.
- These policies increase our costs. The airport uses a residual rate structure, so any new cost associated with the creation of a baggage wrapping standard, as well as the policing of such standards, will be unfairly borne by the airlines.

In short, the impact of this Resolution is costly to the airlines, difficult to enforce, and extraordinarily detrimental to the relationships between the customer and the airline. Thank you for your support and consideration on this important matter.

Sincerely,

cc: Emilio Gonzalez, MDAD Aviation Director
Ken Pyatt, MDAD Deputy Director
Miami Airport Affairs Committee (MAAC)

October 8, 2015

Office of the Mayor
Miami-Dade County, Florida
Stephen P. Clark Center
111 NW 1st Street
Miami, FL 33128

Re: Miami International Airport (MIA). Opposition to Resolution Establishing Policy Limiting Checked Baggage Wrapped in Plastic Films that will be allowed into the Baggage Handling System to those wrapped by the Authorized Vendor for Luggage Wrapping Services.

Dear Mayor Gimenez:

This letter serves to document Copa Airline's opposition to the resolution above mentioned. This resolution will bring the following challenges and costs to the airline and inconveniences to our passenger:

- Delays in the operation if the airline has to enforce this policy when passengers arrive with bags wrapped by other entities not by those considered "Authorized Vendors".
- Additional manpower for the enforcement of the policy by the airline
- Delay in check in
- Negative perception of the airline enforcing the policy indicating that this may be imposed by the airline as an agreement between the airline and the vendor and not by the airport.
- Cost increase for manpower for policy enforcement. This in return converts to higher prices to the customer in order to off-set this additional cost due to the residual rate structure at MIA.
- Long queuing of passengers to unwrap their bags only to be forced to have their bags wrapped again at a higher cost. There is no control or choice on the quality or the cost of this service for the passengers.
- Longer lines through the check point at peak times due to delays in processing prior to check in.

The inconveniences are too many, only to mention a few, compared to any alleged benefit this new policy may bring to the passengers, airport or airline community.

As an airline, we support MAAC's position and do not support the resolution.

Truly yours,



Xiomara L. Winklaar
Airport Manager
Miami International Airport



Office of the Mayor
Miami-Dade County, Florida
Stephen P. Clark Center
111 NW 1st Street
Miami, FL 33128
Phone: 305-375-1000
Fax: 305-375-1001
Email: mayor@miamicity.com

October 8, 2015
Office of the Mayor
Miami-Dade County, Florida
Stephen P. Clark Center
111 NW 1st Street
Miami, FL 33128

Re: Miami International Airport (MIA)
Opposition to Resolution Establishing Policy Limiting Checked Baggage Wrapped in
Plastic Film that will be allowed into the Baggage Handling System to those Wrapped with
Airport-Approved Wrapping.

Dear Mayor Gimenez:

The purpose of this letter is to record Lufthansa German Airline's opposition to the imposition of a ruling that establishes a policy limiting the checked baggage wrapping at MIA to airport-approved Wrapping Services at Miami International Airport.

Lufthansa German Airlines does not support any baggage wrapping policy that will have to be enforced by the airlines due to these major reasons:

- The requirement to prohibit wrapped baggage, not wrapped by the airport authorized vendor or with an airport-approved product, will impose and inject unnecessary time and cost in the process. As such it will be a disservice to our customers.
- Monitoring and imposing this policy, will require additional resources, which will increase our costs and are not acceptable to us.
- Limiting the source to one vendor or product injects a monopoly, and consequently increases the cost to the end user "our customers".
- The associated passenger delays that will be imposed by the additional time required to deal with the process that encompasses the wrapped baggage by the authorized vendor, at the airport and for a larger volume of baggage, will create delay for every airline. This will surely result in MIA airport being less efficient than other neighboring airports.
- Unnecessary cost, time and congestion in the terminal resulting in dealing with the customer will surely have a negative impact on airlines and the Miami International Airport customer service image.

- This may result in serious liability issues, as we will not be able to monitor each and every bag not wrapped by the airport authorized vendor or using airport-approved wrap.

Lufthansa German Airlines agrees with the position taken by the Miami Airport Affairs Committee and Airline Management council, that we cannot support a policy that requires enforcement by the airlines, creates a monopoly, and, last but not least, is detrimental to the core philosophy of providing good customer service to our valued customers.

Respectfully,



Ashutosh Kaul
Station Manager

Lufthansa German Airlines
Miami International Airport

CC: Emilio Gonzalez, MDAD Aviation Director
MAAC Members
Airline Liaison Office

BRITISH AIRWAYS



08 October 2015

The Honorable Mayor Carlos Gimenez
Miami-Dade County
Office of the Mayor
Stephen P. Clark Center
111 NW 1st Street
Miami, FL 33128

Subject: Miami International Airport

Opposition to the Resolution establishing policy limiting checked luggage wrapped in plastic film that will be allowed into the baggage-handling system for Miami International Airport to those items wrapped by the authorized vendor for luggage wrapping services; and directing the County Mayor to develop a process by which plastic film utilized by persons or entities other than the authorized vendor for luggage wrapping services can be approved for use at Miami International Airport within 60 days (Policy).

British Airways is writing this letter to respectfully express our opposition to the above Resolution for the following reasons:

- **This Policy will increase disruption, delays and deteriorate passenger satisfaction with MIA.** Passengers arriving at MIA with uncertified wrapped baggage would be required to unwrap and, if desired, rewrap their bags. This will create a delay in processing of the passenger (taking them longer to reach their gate) and their checked bags (reducing the time the airlines and TSA have to process and screen the bags). Operational impacts resulting from delayed passengers and baggage will result in an increase in customer complaints and a decrease in customer service. This Policy is detrimental to the relationships between the customer, the airline and the Airport.
- **The airlines cannot enforce the Policy.** The airlines do not have sufficient staff or facilities to enforce this Policy. The airline industry has been working to make the check-in process more efficient by implementing more self-service and remote check-in options for the customer to quickly process and proceed to the gate. The staff and facilities required of the airlines to enforce this Policy at the airport's check in locations do not exist. The MAAC provided a letter outlining multiple reasons that the airlines cannot enforce this Policy, which is supported by British Airways.
- **The timing for implementation of the Policy could not be worse.** Implementing a significant change such as this in the middle of the airport's winter peak schedule during the biggest leisure



2 Park Avenue, Suite 1100, New York, NY 10016-5606

British Airways Plc Registered Office: Waterside, P.O. Box 365, Harmondsworth, UB7 0GB Registered in England No. 1717777

BRITISH AIRWAYS



Mayor Carlos Gimenez – Miami-Dade County
08 October 2015

- travel holidays will cause significant operational disruption. Any significant change should not be made during the peak season to give the airport and airlines the ability to understand the operational implications and properly prepare for the peak season.
- **The Policy increases costs of the airlines.** This Policy does not create additional revenue for the airport, but increases costs associated with creation of a baggage wrapping standard and policing of the Policy. This Policy creates unnecessary costs that will raise the Cost Per Enplaned Passenger (CPE) at the airport and should not be paid by the airlines. Any costs associated with this Policy should be wholly borne by the vendor requesting the Policy.

We ask that you veto this Resolution and work with the Board of County Commissioners to seek a solution that is equitable to passengers, airlines and vendors at this critical gateway.

Sincerely,

Ken Deming
Manager, Properties, Americas

Cc: Emilio Gonzalez / Aviation Director, MIA
Ken Pyatt / Deputy Director Aviation, MIA
Chris Bradley / AvAirPros
Michael Wesche / AA Director Corporate Real Estate,
Ian Blackman / BA VP Customer Service & Ops, North America East
Diane Coyle / BA Customer Service Manager MIA



October 9th, 2015

Honorable Carlos A. Gimenez
Office of the Mayor
Miami-Dade County
Stephen P. Clark Center
111 NW 1st Street
Miami, FL 33128

Re: Opposition to Miami-Dade County Agenda Item No. 11 (A)(42) - Resolution establishing policy limiting checked luggage wrapped in plastic film that will be allowed into the baggage handling system for Miami International Airport (MIA) to those items wrapped by the authorized vendor for luggage wrapping services.

Dear Mayor Gimenez:

Please be advised that with this letter IBC Airways is respectfully stating its opposition to the above referenced Resolution (the "Policy") passed by the Miami-Dade County Board of County Commissioners on October 6th, 2015. IBC Airways cannot support policies that would require the air carrier or its representatives to monitor, restrict, enforce, or otherwise engage its customers in limiting their choice of baggage wrap services. Additionally,

- The impact of this change in policy negatively influences and adversely affects the customer experience. As a result of the new Policy passengers arriving at MIA with uncertified wrapped baggage would be required to unwrap and, if desired, rewrap their bags. This will create a delay in the processing of the passenger (taking them longer to reach their gate) and their checked bags (reducing the time the airlines and TSA have to process and screen the bags). Operational impacts resulting from delayed passengers and baggage will result in an increase in customer complaints and a decrease in customer service.
- IBC Airways does not have sufficient staff or facilities to enforce the Policy. The airline has and continues to work hard to streamline the ticketing and check-in process for the customer enabling the passenger to have more time to visit the concessions and proceed to the gate. In addition to staff requirements, the facilities necessary to enforce the Policy at the airport's check-in locations do not exist.
- The Policy increases IBC Airways' costs. The airport has a residual rate structure, so, any new costs associated with the creation of a baggage wrapping standard and the policing of the Policy will be unfairly passed back to the air carriers and the airline's costs will increase. Further, the Policy does not create additional revenue for the airport, but rather creates unnecessary costs that will raise the Cost Per Enplaned Passenger (CPE) at the airport. The air carriers should not be burdened with bearing that or any other costs associated with the Policy.
- The implementation timing of the Policy could not be worse. Implementing such a significant change in the middle of the airport's winter peak schedule and during the biggest leisure travel holidays will cause major operational disruptions. Any change of this magnitude should be rolled out during low season in order to give the airport and airlines the ability to understand and digest the operational implications and properly prepare and ramp up for the peak season.

In summary, IBC Airways supports the position presented by the Miami Airport Affairs Committee (MAAC). Not only will the Policy be extremely difficult to enforce without repercussions, but as a result of the Resolution the increased costs incurred by the airlines will have to be passed back to the customer. Unfortunately, the Policy as written is extraordinarily detrimental to the air carrier, will unnecessarily hurt the relationship between the customer and the airline, and ultimately will also create inimical publicity about Miami International Airport.

Thank you for your time and IBC Airways appreciates your consideration as you assess the effects of this important Resolution.

Very truly yours,



Sara F. Zeidman
Vice President

cc: Emilio T. González, Ph.D., Director & CEO, MDAD
Ken Pyatt, Deputy Director, MDAD

MAAC

Miami International Airport
P.O. Box 592075
Concourse E - 6th Floor
Miami, FL 33159

August 26, 2015

Delivered via electronic mail

Mr. Kenneth Pyatt
Deputy Director
Miami Dade Aviation Department
P.O. Box 025504
Miami, FL 33102-5504

RE: **Miami International Airport (MIA)**
Baggage Wrapping Services- Airline Concerns

Dear Ken:

The purpose of this letter is to advise MDAD of the position of the Miami Airport Affairs Committee (MAAC) as it relates to a pre-approved baggage wrapping policy that would be enforced by the airlines at MIA.

MDAD has briefed the MAAC on the developments of the baggage wrapping services over the past few months. As we understand it, the current baggage wrapping vendor has informally notified MDAD that the Minimum Annual Guarantee (MAG) amount is in jeopardy. The current vendor has cited off-airport baggage wrapping as the cause of loss in revenue and has suggested that MDAD impose a policy which would limit bags that are accepted at MIA to those that are wrapped by the current baggage wrapping vendor. MDAD has discussed the concept of such a policy at MIA and has noted that the policy, as proposed, would require the airlines to be the enforcer with the passenger's wrapped baggage at MIA.

The MAAC does not support any baggage wrapping policy that would be enforced by the airlines for the following reasons:

- MIA has a long history of accepting wrapped baggage regardless of who has wrapped them, and MIA's customers are aware of this situation. This policy would create a significant pivot in customer service at MIA.
- The airlines do not have sufficient staffing to enforce the policy.
- The additional time that would be required to process re-wrapped bags and the associated passenger delays would add additional travel time and could make MIA less competitive with other airports.
- Airline enforcement would occur at passenger check-in locations (i.e. ticket counters, recheck counters, or curbside podiums), which would increase processing times of

American Airlines - Chairman
Air Canada
Envoy Air
British Airways

Delta Air Lines
Federal Express
LAN Airlines
Lufthansa German Airlines

United Airlines
United Parcel Service
US Airways

passengers. This would increase demand of the check-in resources that are already strained as well as the airlines' costs associated with terminal rents.

- The airlines could not accept liability for allowing bags not wrapped by the airport's vendor into the baggage system.
- The impact to the customer's experience with the airline could be detrimental to the relationship between the customer and the airline.

The MAAC supports MDAD's efforts to resolve the baggage wrapping dilemma, but we cannot support a concept that requires enforcement by the airlines. Please do not hesitate to contact me with any questions or concerns.

Respectfully,



Michael Wesche
MAAC Chairperson

CC: Emilio Gonzalez, MDAD Aviation Director
MAAC Members
Airline Liaison Office

Gonzalez, Emilio T. (Aviation)

From: Lewis, Tim <DFSD> <Tim.Lewis@tsa.dhs.gov>
Sent: Friday, October 09, 2015 11:01 AM
To: Gonzalez, Emilio T. (Aviation)
Cc: Meinke, Art; Hanlon, Karen
Subject: TSA and Checked Baggage

Director Gonzalez,

Reference our discussion yesterday concerning TSA's position on checked bag acceptance. The following is our summary statement for your use:

"TSA, like any other U.S. government entity, does not have authority to endorse private businesses or products. Regardless of how a checked bag is presented to TSA from the airlines (wrapped with any wrapping or unwrapped), it will be screened prior to being allowed onboard an aircraft."

TSA is proud of our continued excellent partnership and we thank you for your support. Best Regards, Tim (Acting FSD)

Tim Lewis

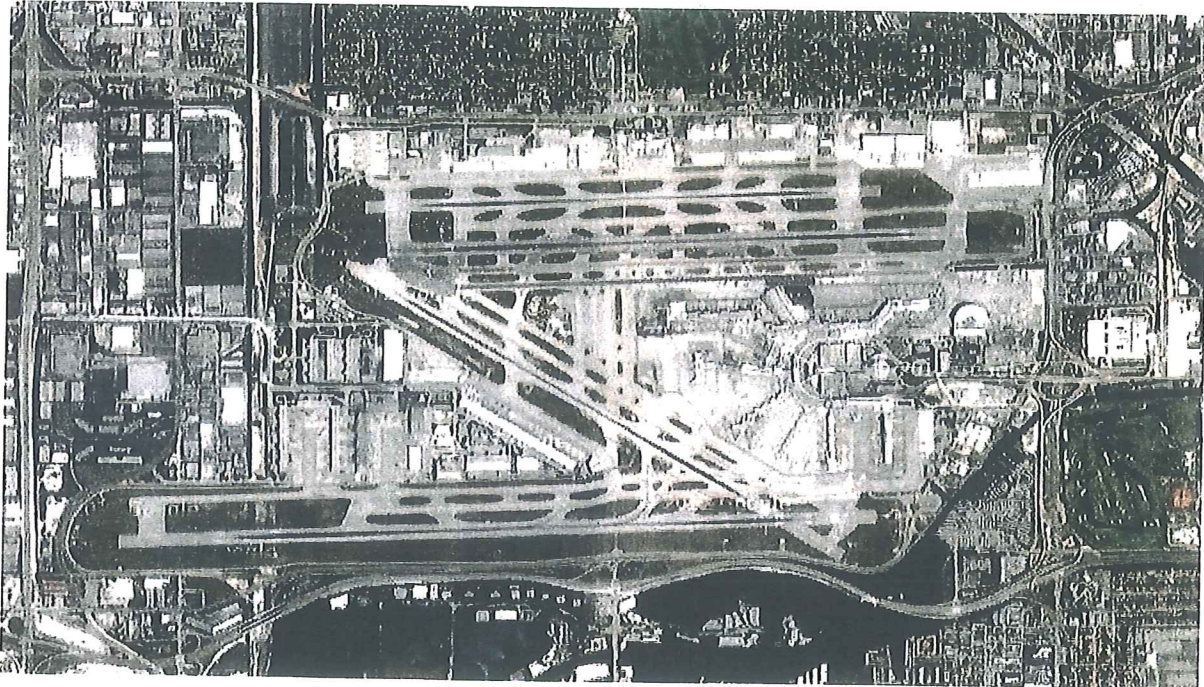
Deputy Federal Security Director
Miami International Airport, FL
Office: 305-421-2444
Cell: 954-547-1697
Fax: 305-526-2600

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MIAMI INTERNATIONAL AIRPORT (MIA)

PLASTIC WRAPPED BAGGAGE OBSERVATIONS



Prepared for:
Miami-Dade Aviation Department

Prepared by:



July 7, 2015
Revision 2



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1. EXECUTIVE SUMMARY

Miami International Airport (MIA) is a category X airport with flights to many destinations to both domestic and international cities. When customers fly to international destinations many of them choose to securely wrap their checked baggage in plastic to prevent tampering. Their options for this include wrapping their baggage at home, wrapping from a 3rd party vendor off-site from the Airport, or having their bags wrapped by the Miami-Dade County approved vendor in the Airport.

In June 2015 Miami Dade Aviation Department (MDAD) contacted VTC to conduct observations of the checked baggage process at MIA and the effects that plastic wrapped baggage has on the entire baggage handling process. That process includes Ticket Counter Check in, Baggage Handling System (BHS) Inspection, Makeup Unit Sorting, and Airplane Baggage Loading. This report details the types of checked baggage and on-site observations of checked baggage through all these processes.

On-site observations noted difficulties processing plastic wrapped checked baggage at every stage when compared to unwrapped baggage. Although there were slight differences between types of wrapping, those differences were not statistically significant.

Three notable observations are described below:

1. Consistency

Baggage wrapped by the Airport vendor was consistently tight around the surface area of the bag. Baggage wrapped by a 3rd party or home-wrapped was very inconsistent. It was observed that the 3rd party and home wrapping often had loose plastic and did not cover the entire surface area of the bag. It was noted that baggage handling system failures and maintenance issues can be caused when loose wrapping is caught in the conveyors however, none of these events were observed during the visit and on-site maintenance staff said that although these events do occur approximately one to two times a week, it is difficult to pinpoint the exact cause.

2. Checked Baggage Resolution Area (CBRA) Processing

Baggage wrapped by a 3rd party or home wrapped were processed differently than baggage wrapped by the Airport vendor. 3rd party-wrapped baggage was cut by the TSA during the inspection process and not rewrapped prior to inserting the baggage back into the BHS. Baggage wrapped by the Airport vendor was cut by the Airport vendor so that TSA could perform their inspections, and rewrapped by the Airport vendor after the inspection process. Bags that were put back into the baggage handling system with cut wrappings that were not rewrapped were observed to have loose pieces of plastic hanging off the bag onto the conveyor. As noted above, this can lead to baggage handling system failures and maintenance issues.

3. Customer Service

Both non-wrapped baggage and baggage wrapped by the Airport vendor leaves the CBRA in the same configuration as it arrived. Baggage wrapped by a 3rd party or home-wrapped does not leave the CBRA in the same condition as when the bag arrived because the wrapping is at the very least, cut and taped back together, or at the other extreme, completely removed. This could lead to customer service complaints, however, signage is posted in multiple places in the lobby informing passengers of the process and the airport has not received any customer complaints nor have they received any airline complaints.

2. TYPES OF CHECKED BAGGAGE

There is a variety of checked baggage that is processed at MIA. The observations in this study are focused on the three types of bags that customers typically check for international travel at the airline ticket counters; unwrapped baggage, baggage wrapped by Airport-contracted baggage wrapping vendor, and baggage that has been wrapped by a 3rd party wrapping vendor or customer.

Unwrapped baggage is considered to be the baseline for these observations and will be used when comparing checked baggage processing for both Airport vendor-wrapped and 3rd party-wrapped baggage.

Airport vendor-wrapped baggage consists of the approved vendor wrapping the customer's bag with a blue plastic using an automated baggage wrapping machine. By using the machine the Airport vendor's wrapping provides a consistently tight wrap that secures the bag and does not provide any potential snag points for the BHS. Figure 1 shows the typical wrapping by the approved Airport wrapping vendor.

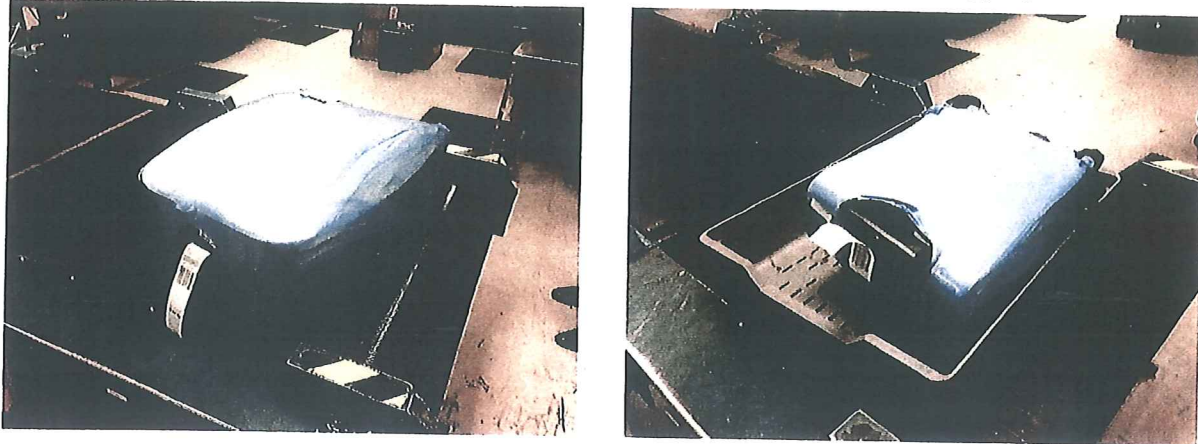


Figure 1: Airport Wrapped Checked Baggage

The other types of wrapped baggage are those wrapped off-site by a 3rd party vendor, or wrapped by the customer. This wrapping was very inconsistent. A majority of the wrappings did not cover the entire surface area of the bag and was often loose, sometimes with plastic hanging off the bag. Figure 2 shows some examples of 3rd party-wrapped or customer wrapped checked baggage.

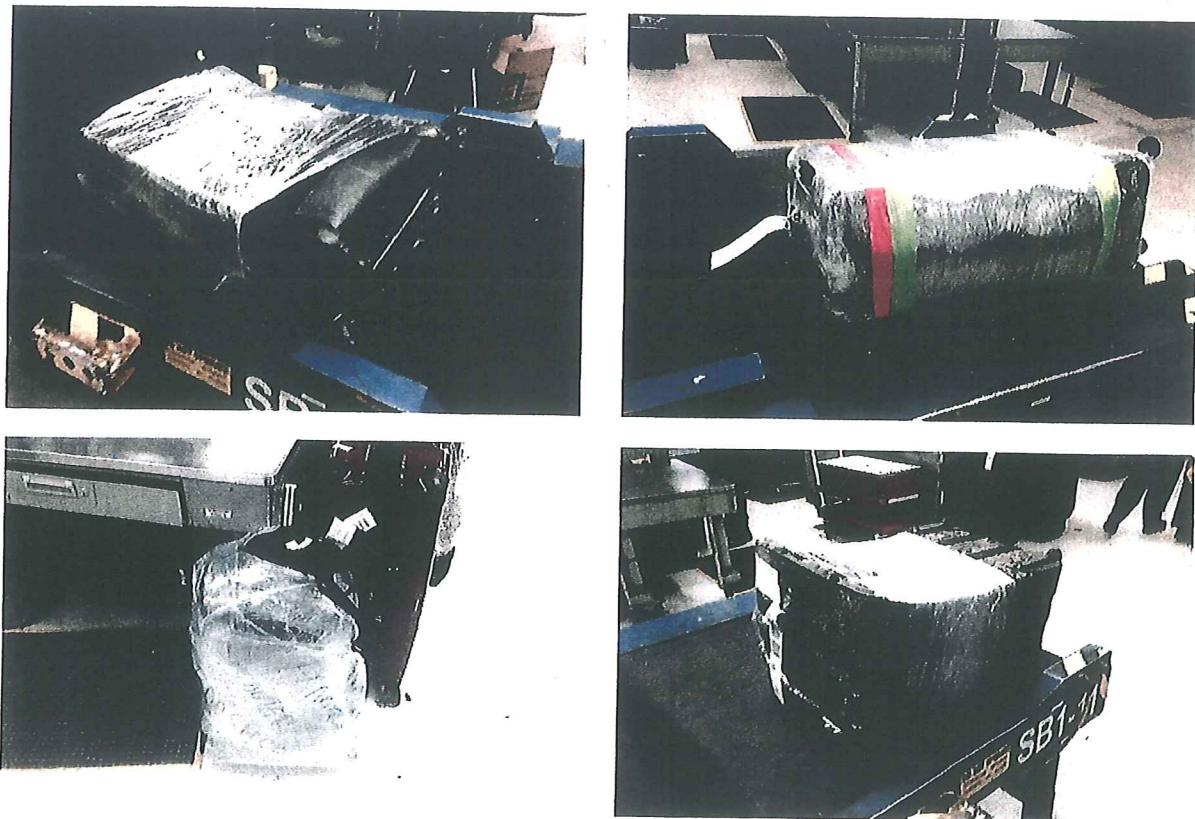


Figure 2: 3rd Party-wrapped Checked Baggage

3. MIA CHECKED BAGGAGE PROCESS

The checked baggage process at MIA consists of the following areas:

1. Ticketing/Check In
2. Baggage Handling System/ Checked Baggage Inspection Screening (BHS/CBIS)
3. Baggage Makeup Area
4. Baggage Airline Loading

VTC's observations of these baggage processes are described in the following sections

3.1. Ticketing/Check In

This baggage process occurs in the lobby of the airport on the non-secure side of MIA. The Airport-contracted baggage wrapping vendor has machines located throughout the lobbies. Baggage is checked in at the ticket counter locations and placed on the conveyor system for screening and transportation to the baggage makeup area.

Figure 3 displays the types of baggage that will be checked into the baggage handling system.



Figure 3: Ticketing/Check In Baggage

3.1.1. Observations

VTC witnessed the check in process and the following observations are noted below.

1. There was some slight difficulty moving and loading Airport vendor-wrapped and 3rd party-wrapped baggage when compared to unwrapped baggage however there was not a significant difference when moving and loading Airport vendor-wrapped baggage when compared to 3rd party-wrapped baggage
2. The Airport vendor-wrapped baggage was consistently tight and with cutouts for handles and wheels
3. The 3rd party and customer wrapping was inconsistent. There were great variations in the tightness and the surface area the wrap covered.

3.2. Baggage Handling System/Checked Baggage Inspection Screening (BHS/CBIS)

Checked baggage Inspection Screening at the North and South consist of inline screening systems. The Screening in the Central terminal is conducted with standalone screening machines located in

either the airport lobby or next to baggage make up units. After screening the bags in the lobby of the Central terminal the bags are placed on a conveyor system that transports the bags from the ticketing level to the baggage makeup area. This usually consists of straight conveyors with very few turns.

3.2.1. Baggage Handling System (BHS)

When compared with the BHS in the North and South terminal, the Central conveyors are less complicated and less sensitive to plastic wrapped baggage. Based on this information the observations in this section are focused on the inline systems so that VTC could observe the greatest impact wrapped baggage would have on a BHS system.

3.2.1.1. Lost in Track Percentage

VTC took a small sampling of unwrapped bags, Airport vendor-wrapped bags and 3rd party-wrapped bags to compare their tracking performance within the South Terminal system and to see if there was any significant difference in the tracking performance. The results of this small sample showed that all three types of bags had a small percentage of bags lost in track, but there was no measurable difference between the Airport vendor-wrapped bags and the 3rd party-wrapped bags. There was however a slightly higher lost in track percentage for wrapped bags versus unwrapped bags. Due to the sample size and the variability in the baggage types and baggage hygiene, we cannot say for certain that the bag wrap was the cause of the slightly higher lost in track rate. A much more in depth study with a much larger sample would be needed to determine the effect that bag wrap has on the tracking of bags in the system. Due to the variability in the baggage types, other items that would need to be considered are the baggage characteristics (size, shape weight, etc.), baggage hygiene, use of baggage tubs, etc.

3.2.1.2. BHS Maintenance Interviews

Interviews were conducted with both Gilbert Lopez (South Terminal BHS Maintenance) and Greg Alvarez (North Terminal BHS Maintenance) about the three types of baggage that are processed in the system. They both noted very similar observations on system performance in relation to the wrapped baggage.

In terms of system tracking performance both Greg and Gilbert stated that wrapped baggage caused more tracking issues when compared to unwrapped baggage. However, they both stated that there is no discernable difference between the Airport vendor-wrapped baggage and the 3rd party-wrapped baggage.

Due to inconsistency in 3rd party wrapping both Gilbert and Greg believe there is a greater chance for system downtime. Even though there are not any specific logs, they both mentioned that there are jams, approximately 1 to 2 times a week, where they would have to clear loose plastic from pulleys. VTC did not observe any jams that were specifically related to wrapped plastic bags during the three days of observation. It would be worthwhile to conduct a bag jam study in all three terminals to determine the actual cause of the bag jams and the effect that bag wrap has on the cause.

3.2.2. Baggage Inspection Process

Checked baggage is initially screened by the inline screening machines and either cleared to proceed to the sortation conveyors, or proceed to the Checked Baggage Resolution Area (CBRA) for additional physical inspection. For the three categories of bags (unwrapped, Airport vendor-wrapped, and 3rd party-wrapped) there are different procedures performed by the TSA CBRA personnel. The flow chart of the CBRA process is shown in Figure 4.

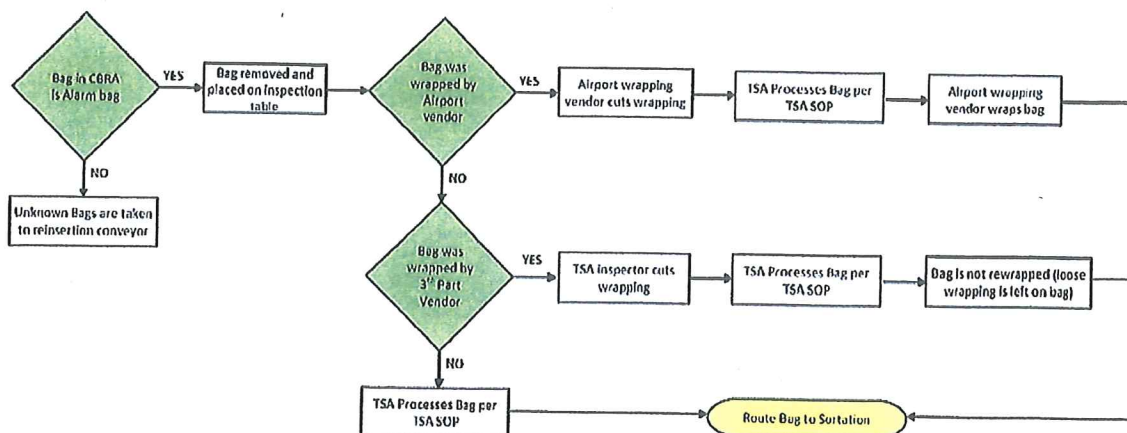


Figure 4: CBRA Baggage Processing

3.2.2.1. Observations

With Airport vendor-wrapped baggage the Airport approved vendor was on site in the CBRA to cut the wrapping open prior to inspection as well as rewrap the bag after inspection was completed. With this process bags that were Airport vendor-wrapped left the CBRA in the same physical state as when the bag entered the CBRA. The wrapping was consistently secure and tight before and after inspection. Figure 5 shows a bag prior to and after inspection with the Airport vendor-wrapped baggage.



Pre-Inspection



Post-Inspection

Figure 5: Airport Wrapped CBRA Inspection

With 3rd party-wrapped baggage the TSA inspectors were responsible for cutting the wrapping so that the bag could be inspected. After baggage inspection was complete the TSA inspectors would place the baggage back on the conveyor for transport to sortation. These bags would leave the CBRA with loose plastic wrap, plastic wrap that had been taped to secure the main part of plastic only, or the plastic wrap removed completely. In all cases, the 3rd party-wrapped baggage would leave the CBRA in a much different state with regard to bag wrap than it arrived. Figure 6 shows 3rd party-wrapped bags prior to and after inspection. 3rd party-wrapped baggage that leaves the CBRA as described and

shown in the pictures could potentially decrease baggage handling system performance by causing more jams and loose plastic to be snagged by rotating pulleys or other jam points. As a rule, any loose material in a baggage handling system is seen as a hazard that should be avoided.

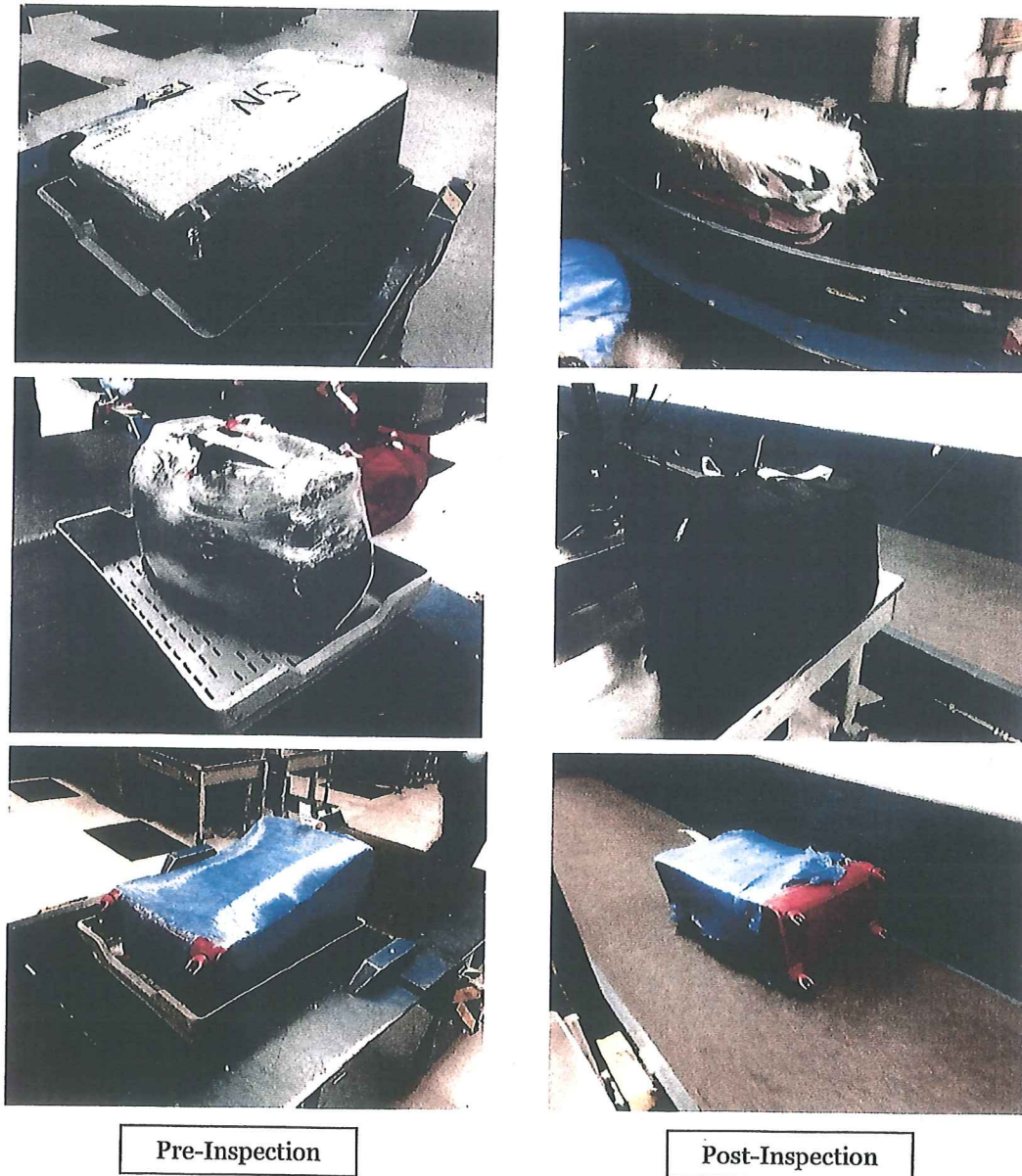


Figure 6: 3rd Party-wrapped CBRA Inspection

Due to the possibility that a passenger's bag could be opened for additional screening, MDAD has posted signage in the lobby to inform passengers of the re-wrapping policy when a bag is opened for inspection, see Figure 7.



Figure 7: Baggage Wrapping Signage

Even though signage is posted in multiple places in the lobby there could be a decrease in customer satisfaction with the Airport/Airline when the passenger claims their baggage since the baggage is not in the same condition as it was when it was checked with the Airline, however, it is noted that the airport has not received any customer complaints nor have they received any airline complaints in regard to 3rd party-wrapped baggage that had not been re-wrapped after security inspection.

VTC witnessed the physical baggage inspection process in CBRA and the following observations were noted.

1. The Airport vendor-wrapped baggage was consistently tight and with cutouts for handles and wheels
2. 3rd party-wrapped baggage did not leave the CBRA room in the same condition/wrapping as when it entered the CBRA room
3. Plastic wrapped bags were processed differently depending on if it was Airport vendor-wrapped or 3rd party-wrapped

3.3. Baggage Makeup Area

This baggage process occurs on the apron level directly below the lobby of the airport. During this process airline baggage handlers remove the bag from the makeup devices (piers, or slope plate devices) and load them into baggage carts for transportation to the airplane.

3.3.1. Observations

VTC observed that the outside plastic of the Airport vendor-wrapped baggage was less tacky than the outside plastic of the 3rd party-wrapped plastic. When the airline baggage personnel were "pulling", removing bags from makeup devices, the Airport vendor-wrapped baggage seemed to require less effort to pull when compared to the 3rd party-wrapped baggage. However, when the

airline baggage personnel were "pushing", loading baggage into carts, there were similar difficulties with both types of wrapping when compared to unwrapped baggage. Multiple conditions exist; the bag that is being pushed may be vendor-wrapped, 3rd party-wrapped, on non-wrapped; the type of bag it was pushing against could be vendor-wrapped, 3rd party-wrapped, on non-wrapped; and the weight, size, and configuration of the bags themselves.

VTC witnessed the makeup area process and the following observations are noted below.

1. Airport vendor-wrapped baggage took less effort to pull when compared to 3rd party-wrapped baggage
2. There was not a significant difference in effort when pushing Airport vendor-wrapped baggage when compared to 3rd party-wrapped baggage

3.4. Baggage Loading at Aircraft

This baggage process occurs on the apron level directly adjacent to the airplane. During this process airline baggage handlers remove the bag from the baggage carts and place them on the baggage loaders. These loaders transport the bags from the apron level to the cargo space in the airplane. Baggage handlers inside the cargo space remove the baggage from the loader and position them in the plane.

Figure 8 shows the airplane baggage loading process.

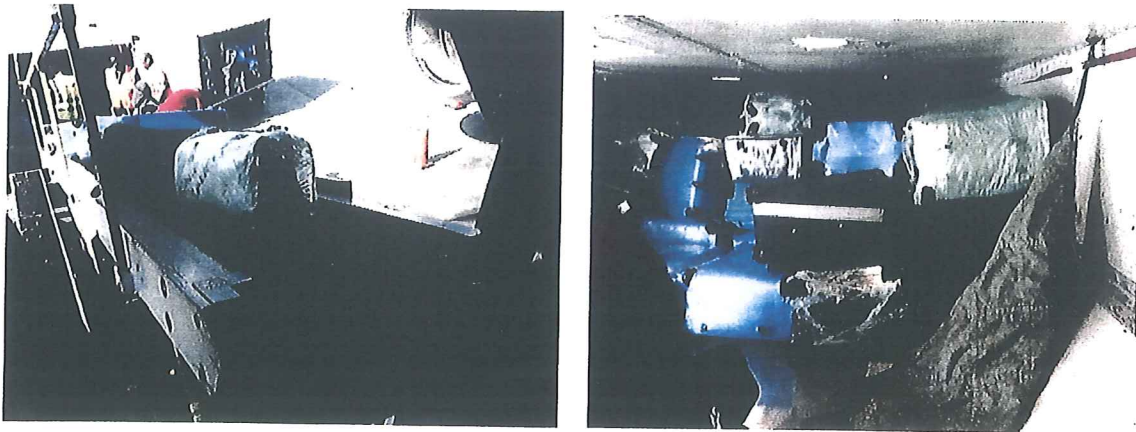


Figure 8: Airplane Loading Process

3.4.1. Observations

The observations noted were similar to the observations VTC noted in the baggage makeup area. The observations of the baggage airplane loading are noted below.

1. Airport vendor-wrapped baggage took less effort to pull when compared to 3rd party-wrapped baggage. This was observed at the baggage cart area and in the cargo hold of the airplane.
2. There was not a significant difference in effort in the cargo area when pushing Airport vendor-wrapped baggage when compared to 3rd party-wrapped baggage.

4. OBSERVATIONAL CONCLUSION

Throughout VTCs observations it was noted that it was operationally more difficult to process checked baggage that is wrapped in any type of plastic. This was a common observation during all the stages of processing checked baggage.

When comparing the quality of the wrap between the Airport vendor wrapping and the 3rd party wrapping the Airport vendor wrapping was consistently tight against the entire surface area of the bag. The outside of the Airport vendor-wrapped baggage was less tacky when compared to the 3rd party-wrapped baggage, however, the difference in performance was not statistically significant during the 3 day observations. This observation was echoed by those on-site.

The only significant operational difference between the approved Airport vendor and 3rd party wrapping was how the bags are processed in CBRA. The Airport wrapping vendor would rewrap the bag if they had initially wrapped the bag. All 3rd party wrapping was left cut open when the bags were placed back into the BHS. Anecdotally, both BHS maintenance teams mentioned that significant BHS events, 1-2 times a week, were caused by plastic wrapping in the BHS, however, no data was available from those events to indicate how many events are caused by 3rd party wrapping or how many events take place after CBRA.

A more exhaustive study would need to be conducted to manage all of the variables in order to determine the true statistical lost in track difference between Airport vendor-wrapped and 3rd party-wrapped baggage. As part of that study, MDAD may want to request that both maintenance groups track baggage jams in detail for a few months, including recording exact locations and statuses of baggage and taking pictures of the bag/s that caused the jam. MDAD may also want to consider asking TSA to be consistent about how they handle 3rd party wrapping. This could be done by removing third party wrapping completely when they cut it open instead of leaving it hanging off the bag to be potentially caught in the BHS.

In conclusion, from everything we saw, it is our opinion that the vendor's plastic is a superior product... it wraps better, it stays on better, it slides better... it just didn't make a significant difference in the baggage handling system as far as we could observe because all types of plastic wrapping, including that provided by the vendor, can cause problems in the system and our observation was that any plastic wrapping is harder to handle than non-wrapped baggage.
